COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| AN EXAMINATION BY THE PUBLIC SERVICE) | | |
|--|----------|--------|
| COMMISSION OF THE APPLICATION OF THE) | | |
| FUEL ADJUSTMENT CLAUSE OF CUMBERLAND) | CASE NO. | 92-499 |
| VALLEY RURAL ELECTRIC COOPERATIVE) | | |
| CORPORATION FROM NOVEMBER 1, 1990 TO) | | |
| OCTOBER 31, 1992 | | |

ORDER

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on December 3, 1992 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Cumberland Valley Rural Electric Cooperative Corporation ("Cumberland Valley") for the two years ended October 31, 1992.

As a part of this review, the Commission ordered Cumberland Valley to submit certain information and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Cumberland Valley has complied with this Order. The Commission further ordered that a public hearing be held in this case but cancelled it when, after publication of notice, no interested party advised the Commission of its intention to attend.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

- 1. Cumberland Valley has complied in all material respects with the provisions of Commission Regulation 807 KAR 5:056.
- 2. East Kentucky Power Cooperative, Inc. ("EKPC"), the wholesale supplier of Cumberland Valley, has been authorized to

transfer (roll-in) a 0.31 mills per Kwh decrease in its base fuel cost to its base rates.

- 3. Cumberland Valley should be authorized to transfer (roll-in) a 0.33 mills per Kwh decrease in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 0.31 mills per Kwh decrease in EKPC's base rates and this can best be accomplished by a negative energy adder to each Kwh sold.
- 4. The rates and charges in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable, and reflect the transfer of fuel costs from the FAC to the base rate.

IT IS THEREFORE ORDERED that:

- 1. The charges and credits applied by Cumberland Valley through the FAC for the period from November 1, 1990 to October 31, 1992 be and they hereby are approved.
- 2. Cumberland Valley be and it hereby is authorized to transfer to base rates those fuel costs (as adjusted for line-loss) rolled-in by EKPC from its FAC to its base rates.
- 3. The rates in Appendix A are approved for service rendered by Cumberland Valley on and after May 1, 1993.
- 4. Within 30 days of the date of this Order, Cumberland Valley shall file with the Commission revised tariff sheets setting out the rates approved herein.

Case No. 92-491, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. From November 1, 1990 to October 31, 1992.

Done at Frankfort, Kentucky, this 5th day of April, 1993.

PUBLIC SERVICE COMMISSION

hairman

Vice Chairman

COMMISSION

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 92-499 DATED April 5, 1993

The following rates and charges are prescribed for the customers in the area served by Cumberland Valley Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

SCHEDULE I FARM, HOME, SCHOOLS AND CHURCHES

Rates:

| First 500 KWH | \$.06349 Per KWH |
|----------------|------------------|
| Over 500 KWH | .05350 Per KWH |
| Marketing Rate | .03197 Per KWH |

SCHEDULE II SMALL COMMERCIAL

Rates:

| Energy Charge | Single Phase | Three Phase |
|-----------------|------------------|------------------|
| First 3,000 KWH | \$.07860 Per KWH | \$.07860 Per KWH |
| Over 3,000 KWH | .05982 Per KWH | .05982 Per KWH |

SCHEDULE III ALL ELECTRIC SCHOOL (A.E.S.)

Rates:

All KWH \$.05820

SCHEDULE IV LARGE POWER RATE - INDUSTRIAL

Rates:

Energy Charge All KWH

\$.03332 Per KWH

SCHEDULE IV-A LARGE POWER RATE - 50 KW TO 2,500 KW

Rates:

Energy Charge All KWH

\$.04220 Per KWH

SCHEDULE V LARGE POWER 1000 KW TO 2500 KW

Rates:

Energy Charge All KWH

\$.03489 Per KWH

SCHEDULE V-A LARGE POWER INDUSTRIAL

Rates:

Energy Charge All KWH

\$.02853 Per KWH

SCHEDULE VI OUTDOOR LIGHTING - SECURITY LIGHTS

Rates:

Mercury Vapor Lamps

175 Watt \$ 5.90 Per Lamp Per Month 400 Watt 8.25 Per Lamp Per Month

Sodium Lamps

| 100 Watt Open Bottom | \$ 5.90 Per Lamp Per Month |
|----------------------------|----------------------------|
| 100 Watt Colonial Post | 6.74 Per Lamp Per Month |
| 100 Watt Directional Flood | 7.30 Per Lamp Per Month |
| 400 Watt Directional Plood | 11.31 Per Lamp Per Month |
| 400 Watt Cobra Head | 11.31 Per Lamp Per Month |